

## BUSINESS ENTITIES VIDEO SERIES, Script Eight

### **NOT-FOR-PROFIT CORPORATION**

Every **not-for-profit corporation** formed in Kansas must include in its name one of the words of incorporation which are "association," "church," "college," "company," "corporation," "club," "foundation," "fund," "incorporated," "institute," "society," "union," "university," "syndicate" or "limited," or one of the abbreviations "co.," "corp.," "inc.," or "ltd."

- The not-for-profit corporation must designate:
  - a resident agent,
  - a registered office address,
  - a mailing address,
  - one or more incorporators, that can be either an individual or a business, and
  - any directors.
- Registration with the Office of the Secretary of State is required.
- The fee is \$20 for a domestic paper filing, \$115.00 for a foreign paper filing, or \$20.00 for an electronic filing that is available only for domestic entities.
- A not-for-profit corporation may need to register debt securities with the Office of the Securities Commissioner.

There are **three main characteristics** that distinguish a not-for-profit corporation from a for-profit business enterprise.

- Significant amounts of revenues are received from providers or entities that do not expect to receive either repayment or economic benefits relative to the amounts provided.
- There is no defined ownership that can be sold, redeemed or transferred, nor is there entitlement to a share of the assets if the organization is liquidated.
- The purpose of the operation is not to produce a profit.

This is the eighth of eight business entity videos created by the Office of the Kansas Secretary of State. The first is an introduction to the series, and the remaining seven videos each target a specific type of business organization. Each video provides a brief description of the business entity type, its registration requirements, and the advantages and disadvantages of its structure.

I'm Kansas Secretary of State Kris Kobach, wishing you success in your new business venture. For further assistance, please visit [www.sos.ks.gov](http://www.sos.ks.gov) or call (785) 296-4564.